

Message Text

CONFIDENTIAL

PAGE 01 MOSCOW 06943 01 OF 03 101831Z
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 PM-05 H-01 INR-10 L-03
NSAE-00 NSC-05 PA-01 SP-02 SS-15 ICA-11 EB-08
STR-07 AGRE-00 OMB-01 FRB-03 AS-01 /086 W
-----072710 101847Z /41/50

R 061839Z APR 78
FM AMEMBASSY MOSCOW
TO SECSTATE WASHDC 0098
USDOC WASHDC
DEPT OF AGRICULTURE WASHDC
TREASURY WASHDC

C O N F I D E N T I A L SECTION 01 OF 03 MOSCOW 06943

C O R R E C T E D C O P Y (ADDEE LINE)

E.O.11652:GDS
TAGS: EEWT , UR, US
SUBJECT: MEETING OF AMBASSADOR WITH MINISTER OF FOREIGN
TRADE PATOLICHEV

REF: 77 MOSCOW 18544

SUMMARY: AMBASSADOR HAD ONE HOUR MEETING WITH MINISTER OF
FOREIGN TRADE PATOLICHEV ON APRIL 6. PATOLICHEV APPEARED
TO BE IN FINEOR THROUGHOUT AND SAID HE HEALTH WAS ALSO
GOOD. PATOLICHEV EXPRESSED REGRET AT POSTPONEMENT OF
SECRETARY KREPS' VISIT BUT SAID SHE WOULD BE WELCOME WHEN
SHE PICKS A NEW DATE. HE ACCEPTED POSTPONEMENT OF JOINT
COMMERCIAL COMMISSION MEETING. WHILE NOVEMBER-DECEMBER
IS VERY BUSY TIME IN MFT BECAUSE OF TRADE PROTOCOLS AND
NEW YEAR PLANNING, HE SAID, HE WOULD MAKE TIME AVAILABLE.
ALTERNATION OF COMMISSION AND TRADE AND ECONOMIC COUNCIL
MEETINGS IN SUBSEQUENT YEARS IS ALSO ACCEPTABLE.
AMBASSADOR REVIEWED CURRENT INTERNATIONAL PROBLEMS
TROUBLING OUR RELATIONS. PATOLICHEV DID NOT TRY TO REBUT
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 MOSCOW 06943 01 OF 03 101831Z

HIM ON THESE POINTS BUT REITERATED HIS OWN VIEW THAT
IMPROVEMENT IN TRADE RELATIONS COULD IMPROVE INTERNATIONAL
ATMOSPHERE. END SUMMARY.

1. AMBASSADOR CALLED ON MINISTER OF FOREIGN TRADE PATOLI-
CHEV APRIL 6 TO RESUME DIALOGUE BEGUN IN DECEMBER 23
MEETING (REFTEL). PATOLICHEV WAS IN GOOD HUMOR

THROUGHOUT AND, IN RESPONSE TO AMBASSADOR'S QUESTION, SAID HE WAS IN GOOD HEALTH. HE MENTIONED THE PROSPECT OF ACCOMPANYING BREZHNEV TO BONN NEXT MONTH. CHIEF OF MFT AMERICAN COUNTRIES SECTION NIKOLAY ZINOV'YEV ATTENDED, AS DID MFT INTERPRETER VLADIMIR SAMARIN, BUT NO DEPUTY MINISTER WAS PRESENT AS IS NORMALLY THE CASE. AT END OF SESSION PATOLICHEV MADE UNUSUAL COURTESY OF ACCOMPANYING AMBASSADOR TO ELEVATOR AND WAITING UNTIL IT DESCENDED.

2. AFTER EXCHANGE OF CUSTOMARY PLEASANTRIES, THE AMBASSADOR SAID HE HAD SPENT TWO WEEKS IN WASHINGTON (IN FEBRUARY/MARCH) WHERE HE HAD SEEN THE PRESIDENT AND SECRETARIES VANCE, BLUMENTHAL, KREPS AND BERGLAND. HE WISHED TO REVIEW THESE LAST THREE MEETINGS FOR PATOLICHEV'S BENEFIT (BERGLAND, SEPTTEL).

3. KREPS VISIT. THE AMBASSADOR NOTED HE HAD SEEN MRS. KREPS BEFORE SHE WAS OBLIGED TO POSTPONE HER PLANNED TRIP TO THE USSR, DUE TO SCHEDULING PROBLEMS, AN ACTION WHICH HE WAS SURE HAD DISAPPOINTED HER, SINCE SHE HAD BEEN HOPING TO SEE THE MINISTER. THE AMBASSADOR ADDED THAT HE IS SURE SECRETARY KREPS HOPES SHE CAN REARRANGE HER SCHEDULE SO AS TO VISIT THE USSR SOON. MINISTER PATOLICHEV RESPONDED THAT THE SOVIET SIDE HAD BEEN PREPARING TO GIVE SECRETARY KREPS A VERY GOOD RECEPTION. FROM HIS PREVIOUS MEETINGS WITH HER, HE HAD CONCLUDED THAT SHE IS A PERSON

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 MOSCOW 06943 01 OF 03 101831Z

WITH WHOM ONE CAN HAVE SOME GOOD, OBJECTIVE DISCUSSIONS, AND HAD SO INFORMED THE HIGHER ECHELONS OF THE SOVIET PARTY AND GOVERNMENTAL LEADERSHIP. THE INVITATION TO MRS. KREPS STANDS, PATOLICHEV STATED. THE SOVIETS ARE READY TO RECEIVE HER AT ANY TIME SHE FINDS IT POSSIBLE TO COME, IT BEING UP TO HER TO PICK A DATE. SHE WOULD GET A GOOD RECEPTION WHEN SHE COMES, HE ASSURED. THE AMBASSADOR SAID THAT HE WOULD PASS THIS INFORMATION TO SECRETARY KREPS.

4. JOINT COMMERCIAL COMMISSION/TRADE AND ECONOMIC COUNCIL AMBASSADOR STATED HE HAD DISCUSSED WITH SECRETARY BLUMENTHAL THE BEST DATE FOR THE 1978 JOINT COMMERCIAL COMMISSION MEETING. THE SECRETARY HAD FELT THAT THE JCC AND TEC SHOULD BE CONVENED IN NOVEMBER, RATHER THAN MAY, AS PATOLICHEV HAD PRESUMABLY BEEN INFORMED THROUGH THE SOVIET EMBASSY IN WASHINGTON. SECRETARY BLUMENTHAL ALSO FELT THAT THE TWO BODIES SHOULD AFTER 1978 MEET IN DIFFERENT COUNTRIES IN ALTERNATING YEARS. THIS QUESTION COULD BE DISCUSSED WHEN MR. BLUMENTHAL IS IN MOSCOW. PATOLICHEV RESPONDED THAT THE SOVIET SIDE HAD BEEN READY FOR THE JCC IN MAY AND WOULD BE READY FOR THE NEW DATES WHICH HAD BEEN

SUGGESTED, LATE NOVEMBER OR EARLY DECEMBER.
MINISTER PATOLICHEV SAID THAT THE NOVEMBER-DECEMBER PERIOD
WAS A MORE DIFFICULT TIME FOR THE SOVIETS, BECAUSE (A)
THEY ARE NEGOTIATING AND SIGNING PROTOCOLS WITH OTHER
STATES FOR EXCHANGE OF GOODS WITH OTHER "SOCIALIST"
COUNTRIES, A VERY "PAINSTAKING" WORK WHICH REQUIRED A
GREAT DEAL OF ATTENTION, AND (B) THEY WERE ENGAGED IN
ECONOMIC AND TRADE PLANNING FOR THE NEXT YEAR. NEVERTHE-
LESS, THE BEGINNING OF DECEMBER WOULD BE OKAY. FOR SOME
REASON, HE SAID, HE HAD EARLY DECEMBER DENOTED ON HIS
APPOINTMENT SCHEDULE. THE AMBASSADOR EXPRESSED HIS
UNDERSTANDING THAT THIS IS A BUSY TIME FOR PATOLICHEV AND

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 MOSCOW 06943 02 OF 03 101836Z
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 PM-05 H-01 INR-10 L-03
NSAE-00 NSC-05 PA-01 SP-02 SS-15 ICA-11 EB-08
STR-07 AGRE-00 OMB-01 FRB-03 /085 W
-----072745 101850Z /41

R 061839Z APR 78
FM AMEMBASSY MOSCOW
TO SECSTATE WASHDC 0099
USDOC WASHDC
DEPT OF AGRICULTURE WASHDC
TREASURY WASHDC

C O N F I D E N T I A L SECTION 02 OF 03 MOSCOW 06943

C O R R E C T E D C O P Y (ADDEE LINE)

HIS APPRECIATION FOR THE MINISTER'S WILLINGNESS TO ACCOM-
MODATE HIS OWN SCHEDULE. THE AMBASSADOR ADDED THAT SECRE-
TARY BLUMENTHAL HAD INDICATED THE SECOND HALF OF NOVEMBER
WOULD BE THE MOST CONVENIENT, BUT HE WAS SURE THAT THE
DESIRES OF MINISTER PATOLICHEV WOULD BE TAKEN INTO ACCOUNT
PATOLICHEV REMARKED, "OKAY, WE'LL LISTEN TO HIS (BLUMENTH-
AL'S) OPINION." HE REITERATED THAT HE WOULD BE SIGNING
AGREEMENTS AROUND THEN WITH THE CEMA COUNTRIES FOR THE 21ST
TIME. (IN THIS CONTEXT HE STATED THAT BULGARIAN MACHINERY
EXPORTS TO USSR HAD RISEN FROM 28 MILLION RUBLES IN 1959 TO
1,400,000,000 RUBLES IN THE 1978 PLAN, STRESSING THE WORD
"BULGARIAN" WITH A KNOWING SMILE.) AS FOR ALTERNATING THE
JCC AND TEC SESSIONS, PATOLICHEV SAID THAT THIS WOULD BE
DISCUSSED SO THAT THE MEETINGS OF EACH WOULD NOT COINCIDE

IN ONE COUNTRY IN ONE YEAR.

6. TRADE LEGISLATION. THE AMBASSADOR SAID HE HAD DISCUSSED THE POSSIBILITY OF AMENDING CURRENTLY VALID TRADE LEGISLATION WITH SECRETARY BLUMENTHAL, WHO HAD THOUGHT THE CLIMATE NOT PRESENTLY SUITABLE FOR AN INITIATIVE BY THE
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 MOSCOW 06943 02 OF 03 101836Z

ADMINISTRATION WITH CONGRESS. ASSUMING THAT THERE WERE PROGRESS ON THE SALT NEGOTIATIONS, THE ATMOSPHERE MIGHT CHANGE TO SUCH A DEGREE AS TO PERMIT THIS STEP. THE AMBASSADOR ALSO RELATED THAT HE HAD HELD SERIOUS TALKS ABOUT US-SOVIET RELATIONS WITH THE PRESIDENT AND SECRETARY VANCE. AS THE MINISTER WAS AWARE, HE SAID, CERTAIN PROBLEMS EXIST IN THE AREA OF SALT, THE HORN OF AFRICA AND THE MIDDLE EAST. SECRETARY VANCE WOULD BE COMING APRIL 19 FOR TWO DAYS OF TALKS WITH MINISTER GROMYKO, AND IT WAS HOPED THAT WE CAN MOVE FORWARD IN THESE TALKS. BUT BOTH SIDES MUST RECOGNIZE, THE AMBASSADOR CONTINUED, THAT WE ARE HAVING CERTAIN CURRENT DIFFICULTIES. BOTH MUST WORK TO REMOVE THEM. IT IS NOT HELPFUL, SPEAKING FRANKLY, IF ONE SIDE TAKES THE POSITION THAT THE FAULT LIES SOLELY WITH THE OTHER. IN A SITUATION WHERE RELATIONS ARE DETERIORATING, BOTH SIDES MUST ACCEPT SOME OF THE RESPONSIBILITY.

7. TRADE LEGISLATION (CONTINUED). RESPONDING, PATOLICHEV TOOK NOTE OF WHAT THE AMBASSADOR HAD SAID WAS THE CLIMATE IN CONGRESS. CERTAINLY, HE SAID, THE AMBASSADOR WAS BETTER ABLE TO JUDGE THIS POINT THAN HE, BUT AS MINISTER OF FOREIGN TRADE HE WANTED TO SAY THAT HE HAD NO TROUBLE ABOUT EXPORTS AND NONE ABOUT IMPORTS. OF COURSE THE SOVIETS KNOW THE U.S. MARKET IS INTERESTING - THIS, HE SAID, FOLLOWS FROM LENIN - BUT THEY HAD NO PROBLEMS ABOUT TRADE. THE MINISTER THEN MENTIONED THE \$100 MILLION DRESSLER CONTRACT JUST SIGNED, ASSERTING THAT THIS WAS ONE BUT THERE COULD HAVE BEEN MORE. THE USSR SPENDS MANY BILLIONS OF RUBLES FOR MACHINERY AND EQUIPMENT DURING THE FIVE YEAR PLAN, HE SAID WHILE THE AMBASSADOR WAS BETTER ABLE TO JUDGE WHEN TO INTRODUCE A TRADE ACT AMENDMENT IN CONGRESS, PATOLICHEV SAID, HE HAD TOLD PRESIDENT CARTER THAT TRADE, AS "SIMPLE AND MORE EASILY UNDERSTOOD," SHOULD GO FIRST. THE PRESIDENT HAD NOT CONTRADICTED HIM, BUT THE POINT OF VIEW OF THE
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 MOSCOW 06943 02 OF 03 101836Z

PRESIDENT OF THE U.S. MIGHT BE DIFFERENT FROM HIS OWN, PATOLICHEV CONCEDED. SUBSEQUENTLY, PATOLICHEV SAID THAT THE DIFFICULTIES AND PROBLEMS MENTIONED BY THE AMBASSADOR

MADE THE SITUATION LOOK COMPLICATED NOW. LET VANCE AND GROMYKO TALK, HE SAID. HIS OWN VIEWS WERE ONLY THOSE OF A PRIVATE PERSON ON THESE SUBJECTS AND A PRIVATE PERSON CAN BE TOO STRAIGHTFORWARD.

8. AT&T VISITORS. THE AMBASSADOR INFORMED MINISTER PATOLICHEV ABOUT THE PLANNED JUNE VISIT OF AT&T AND WESTERN ELECTRIC REPRESENTATIVES (SEPTTEL). PATOLICHEV SAID HE WOULD SEE WHAT HIS SCHEDULE LOOKED LIKE. AS A RULE HE LIKES TO MEET WITH REPRESENTATIVES OF THE U.S. BUSINESS COMMUNITY. AT THIS POINT, HE AROSE AND SHOWED THE AMBASSADOR A LARGE PHOTOGRAPH OF HIMSELF WITH COCA COLA COMPANY CHAIRMAN AND CHIEF EXECUTIVE OFFICER AUSTIN.

9. STANKI II. THE AMBASSADOR INVITED THE MINISTER TO VISIT THE UNITED STATES SOLO MACHINE TOOL EQUIPMENT SHOW IN SOKOLNIKI PARK, STANKI II. PATOLICHEV APPEARED NOT TO AWARE OF THIS EXHIBITION, STATING THAT HE HAD BEEN AWAY WHEN IT WAS HELD. THE AMBASSADOR SAID HE HAD OPENED THE SHOW JUST THE OTHER DAY, AND IF THE MINISTER COULD FIT A VISIT INTO HIS BUSY SCHEDULE, HE WOULD BE GLAD TO ACCOMPANY HIM. PATOLICHEV DID NOT RESPOND.

10. SAYANSK. THE AMBASSADOR RAISED THE SAYANSK ALUMINUM SMELTER PROJECT IN WHICH ALCOA IS INTERESTED (SEPTTEL)

11. US-USSR TRADE AND ECONOMIC COUNCIL. THE AMBASSADOR SAID HE HAD MET G. WILLIAM MILLER, BUT IT WAS ON THE DAY HE HAD BEEN DESIGNATED CHAIRMAN OF THE FEDERAL RESERVE BOARD. EMPHASIZING THAT HE WAS JESTING, PATOLICHEV SAID

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 MOSCOW 06943 03 OF 03 101839Z
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 PM-05 H-01 INR-10 L-03
NSAE-00 NSC-05 PA-01 SP-02 SS-15 ICA-11 EB-08
STR-07 AGRE-00 OMB-01 FRB-03 /085 W
-----072769 101853Z /41

R 061839Z APR 78
FM AMEMBASSY MOSCOW
TO SECSTATE WASHDC 0100
USDOC WASHDC
DPEPT OF AGRICULTURE WASHDC
TREASURY WASHDC

C O N F I D E N T I A L SECTION 03 OF 03 MOSCOW 06943

C O R R E C T E D C O P Y (ADDEE LINE)

THAT IT WAS A PITY THE U.S. HAD ACTED SO IRRATIONALLY (I.E., IN DEPRIVING THE COUNCIL OF MILLER). HE SAID THAT HE DID KNOW NEW CHAIRMAN-DESIGNATE VERITY, ADDING "WE'RE ALSO FOR HIM."

12. COMMENT; PATOLICHEV GAVE NO INDICATION OF READING AN POLITICAL IMPLICATIONS INTO POSTPONEMENT OF VISIT OF MRS. KREPS AND DEFERRAL OF JOINT COMMERCIAL COMMISSION MEETING, EVEN THOUGH SOVIETS WOULD APPARENTLY HAVE PREFERRED TO SEE THOSE TWO EVENTS OCCUR THIS SPRING. HE WAS RES- TRAINED AND FRIENDLY THROUGH THE CONVERSATION AND ESCHEWED OPPORTUNITY TO TRY TO DEBATE SOME OF THE PROBLEMS IN BILATERAL RELATIONS (PERHAPS BECAUSE, AS A "PRIVATE" PERSON, HE MIGHT HAVE BEEN TOO "STRAIGHTFORWARD"). ALTHOUGH HE SPOKE IN HIS CHARACTERISTIC VOICE, WHICH IS ONLY SLIGHTLY MORE AUDIBLE THAN A WHISPER, PATOLICHEV'S HEALTH DID NOT APPEAR TO BE TROUBLING HIM, AND HE SEEMED TO BE ANTICIPATING ACCOMPANYING BREZHNEV TO BONN NEXT MONTH. TOON

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE, EAST WEST TRADE, AMBASSADORS, FOREIGN MINISTERS MEETINGS, FOREIGN TRADE, MEETINGS
Control Number: n/a
Copy: SINGLE
Draft Date: 06 apr 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978MOSCOW06943
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780159-0578, D780149-0536
Format: TEL
From: MOSCOW
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780486/aaaacuru.tel
Line Count: 299
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: ba8c5cb5-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 6
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 MOSCOW 18544
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 16 jun 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3055113
Secure: OPEN
Status: NATIVE
Subject: MEETING OF AMBASSADOR WITH MINISTER OF FOREIGN TRADE PATOLICHEV
TAGS: EEWT, UR, US, (TOON, MALCOLM), (PATOLICHEV, NIKOLAY SEMENOVICH)
To: STATE COM
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/ba8c5cb5-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014